

NAVARRE SECURES \$5M CORNERSTONE INVESTMENT TO ACCELERATE EXPLORATION PROGRAM AT MT CARLTON

- \$5.0 million cornerstone investment by New York-based Lind Partners.
- The investment is a staged placement over a maximum 24-month period at a price not less than 6.8 cents per share for the first three months and then at a price calculated with reference to VWAP as detailed below.
- Navarre will use the funds to accelerate the exploration program at Mt Carlton including the 10,000m Large Orebody Discovery Exploration (LODE) initiative which is due to commence in March 2023¹.

Navarre Minerals Limited (ASX: NML) (Navarre or the Company) is pleased to advise that the Company has entered into a \$5.0M Share Placement Agreement (**Agreement**) with Lind Global Fund II, LP (**Lind**), an entity managed by The Lind Partners. The terms of the Agreement are set out below.

Navarre Managing Director Ian Holland said:

“Navarre is very pleased to have entered into this Agreement with Lind. We welcome their direct investment in the Company and look forward to what we hope will be a long and fruitful relationship.”

“The structure of the Agreement provides the Company with additional flexibility to pursue our growth strategy and potential pricing upside as we continue to develop the higher-grade Mt Carlton United open pit operations and execute our exciting LODE exploration programs over the coming months.”

Lind Partners Founder Jeff Easton said:

“Lind is very pleased to be making this investment into Navarre Minerals and become a key stakeholder at what we believe to be an exciting time in their journey. We have watched with interest since their acquisition of the Mt Carlton operation and see great potential for the Company to increase production levels with new sources coming on-line and extend mine life through their well-conceived exploration programs.”

¹ Refer to ASX release dated 16 February 2023, *Multiple new large-scale geophysical targets at Mt Carlton*

Summary of the key terms of the Agreement:

- **Advance Payment:** Lind will pre-pay \$5.0 million (**Advance Payment**) to Navarre for an investment in shares to the value of \$5.6 million (**Advance Payment Credit**) which may be used by Lind to subscribe for fully paid ordinary shares (**Shares**) during the term of the Agreement.
- **Commitment Fee:** \$150,000, to be deducted from the Advance Payment.
- **Advance Payment Date:** Lind to transfer funds within three business days after execution of the Agreement (**Advance Payment Date**).
- **Initial Shares:** Navarre to issue 65,000,000 Shares (**Initial Shares**) to Lind on the business day after the receipt of the Advance Payment. The Initial Shares may be applied towards satisfying the Company's subscription obligations under the Agreement by mutual agreement. If the Agreement is terminated and there are still Initial Shares that have not been applied towards subscription at the expiration of the Agreement, Lind will pay the Company for the remaining shares at the Subscription Price (defined below).
- **Term:** 24 months from the Advance Payment date.
- **Subscription Price:** the lesser of the **Fixed Subscription Price** of 6.8 cents per share and the higher of:
 - 92.5% of the average of the five lowest daily VWAPs during the 20 trading days prior to the subscription; and
 - 75% of the VWAP of the shares during the 15 trading days prior to the date on which the relevant shares are issued (**Variable Subscription Price**).
- **Subscription Periods:**
 - Until 31 May 2023: Any subscriptions by Lind to be at the Fixed Subscription Price of 6.8 cents per share.
 - Between 1 June 2023 and 29 February 2024: Any subscriptions by Lind to be at either the Fixed Subscription Price of 6.8 cents per share or the Variable Subscription Price at Lind's election. If the subscription is at the Variable Subscription Price, a monthly limit of \$300,000 will apply.
 - Between 1 March 2024 and end of the Term: Any subscriptions by Lind will be at the Subscription Price.
- **Options:** Subject to Navarre obtaining shareholder approval, the Company will issue 73,529,412 **Options** to Lind. Each Option entitles the holder a right to be issued with one Share at an exercise

price of 5.1 cents per share and may be exercised at any time before their expiration date which is 48 months after issue.

- **Redemption:** Navarre can elect, on receipt of a subscription notice, to repay the amount rather than issue the relevant shares. The Company can also elect to repay in full any unused Advance Payment Credit at any time, however it must first give Lind the ability to subscribe for one-third of the unused Advance Payment Credit at the Subscription Price in accordance with the Agreement.
- **Other Terms:** as is customary with these types of arrangements, the Agreement contains typical investor protections such as negative covenants and representations and warranties. A breach of these provisions may result in Lind declaring any unused Advance Payment Credit immediately due and payable and/or terminating the Agreement.
- **Placement Capacity:**
 - The Shares issued under this Agreement are being made pursuant to the Company's placement capacity under ASX Listing Rules 7.1 and 7.1A.
 - The issue of the Options is subject to shareholder approval which will be sought at the next general meeting of the Company at a date no later than 30 November 2023.
 - To maximise its placement capacity, the Company has also agreed to seek, at each general meeting it holds, shareholder ratification of all prior issues under the Agreement of Shares and Options under ASX Listing Rule 7.4 (to the extent those issues have not been ratified).

There is no security provided by Navarre to Lind in respect to the Agreement and there is no interest payable.

An Appendix 3B for the Agreement will be released following this announcement.

This announcement has been approved for release by the Board of Directors of Navarre Minerals Limited.

- ENDS -

For further information, please visit www.navarre.com.au or contact:

Ian Holland

Managing Director

E: info@navarre.com.au

T: +61 (0)3 4329 0310

ABOUT NAVARRE MINERALS LIMITED

Navarre Minerals Limited (ASX: NML) is a gold, silver and copper producer with a core mission to develop and operate large, high-grade and long-life mineral deposits.

Headquartered in Victoria, Navarre's gold-dominant portfolio comprises the operating Mt Carlton mine, five development projects and a highly prospective exploration portfolio across Queensland and Victoria.

Navarre maintains an aggressive exploration program aimed at delivering a strong pipeline of organic growth opportunities. The Company also continues to investigate transformational acquisition and strategic merger opportunities to grow the business.

The Company sustains a lean operating model and has a deeply experienced board and management team with a proven track record in value creation.

Navarre's highest priority is the health and safety of our people, contractors, their families and the communities in which we operate. We are committed to building strong partnerships with our key community, workforce and investment stakeholders.

See more at www.navarre.com.au